

August 20, 2010

Catherine M. Cobb  
Maine Department of Health and Human Services  
Division of Licensing and Regulatory Services  
41 Anthony Avenue  
State House Station #1  
Augusta, ME 04333-0011

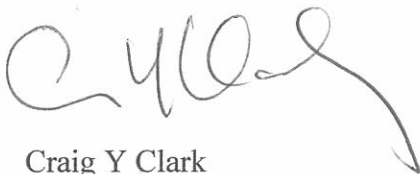
Dear Ms. Cobb:

Alleviations, Inc. is applying for operation of a medical marijuana dispensary in District One, York County. A signed original of the application, four photocopies, and an electronic copy on a CD are enclosed together with a check for \$15,000.

As chief executive officer of the Company, I attest that I am authorized to act on behalf of the Company and that all information submitted with the application and that will be relied upon by the department in the selection and registration of the successful candidate is accurate and valid.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Craig Y Clark', with a long, sweeping tail that extends downwards and to the right.

Craig Y Clark  
President

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redacted.**

Augusta, ME 04333

Description of interior monitoring and safety features:

ELECTRONIC LOCKS - LIMITED ACCESS



VIDEO CAMERAS

PANIC BUTTONS FOR POLICE, FIRE, MEDICAL EMERGENCIES

Location of growing site: SAME AS DISPENSARY - TO BE DETERMINED

Provide the names of patients you have identified at this time who plan to designate you as their dispensary: (use additional pages, if necessary)

NONE

**Declaration: I understand and acknowledge my duties and responsibilities as chief executive officer to patients and primary caregivers in accordance with the provisions of the Maine Medical Use of Marijuana Act. I understand that my board members, officers and employees may not have disqualifying drug offenses. I will notify the Department of Health and Human Services promptly and return the registration cards when there has been a change in status of a registry card holder. I declare under penalty of perjury that the information provided on this form is true and correct. I certify that I will not sell, furnish or give marijuana to a person who is not allowed to possess marijuana for medical purposes. I agree to allow my facility to be inspected by representatives of the Maine Department of Health and Human Services. I agree to provide soil and product samples to representatives of the Maine Department of Health and Human Services for testing pursuant to the rules governing Maine's Medical Use of Marijuana Program. I further agree I will report sales for sales tax purposes related to the sale of marijuana and related product.**

CRAIG Y CLARK

Printed name of Chief Executive Officer

Signature of Chief Executive Officer

Date

8/20/2010

This application shall be accompanied by a non-refundable check made payable to the Treasurer, State of Maine. This application will not be accepted as complete unless all Exhibits are attached. Please mail to:

Attn: Medical Use of Marijuana Program  
Department of Health and Human Services  
Division of Licensing and Regulatory Services  
11 State House Station  
Augusta, ME 04333

To check on the status of your application, call (207) 287-9300

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	Start Up Year 7/1/10 to 6/30/11	First Full Fiscal Year 7/1/11 to 6/30/12	Second Full Fiscal Year 7/1/12 to 6/30/13
<b>Revenue:</b>			
Marijuana sales (in any form) to registered patients and registered caregivers	140000	625000	885000
Paraphernalia sales	2500	5000	7500
Other sales			
Other Income			
<b>Total Revenue</b>	<b>142500</b>	<b>530000</b>	<b>892500</b>
<b>Expenses:</b>			
Payroll, taxes and fringe benefits	80937	253331	367645
Cultivation	8094	25333	36764
Supplies	7000	26250	44250
Office Expenses	14200	15750	26550
Utilities	9800	36750	61950
Insurance	8750	9625	10587
Interest	15000		
Depreciation/Amortization	2500	5000	5000
Leasehold Expenses	25000	12500	15000
Rent	17500	31500	32075
Bad Debt			
<b>Total Expenses:</b>	<b>188781</b>	<b>416039</b>	<b>567746</b>
<b>Net:</b>	<b>&lt; 46281 &gt;</b>	<b>113961</b>	<b>324754</b>
<b>Personnel Categories</b>	<b># of FTE's</b>		
Administration	3	3	4
Sales	2	4	4
Cultivation	2	2	2
<b>Number of Patients:</b>	<b>55</b>	<b>115</b>	<b>175</b>
<b>Estimated Price/Ounce</b>	<b>200</b>	<b>200</b>	<b>200</b>

#### Schedule A

##### Board of Directors and Officers

Craig Y Clark, President and Director

Victoria L Fleck, Director

Marlene Jo Freilich, Director

#### Schedule B

##### Employees

Craig Y Clark, President

Victoria L Fleck

Marlene Jo Freilich

Sarah A Clark

Elizabeth S Clark

Elaine L Clark

#### Schedule C

Bylaws are attached

#### Schedule D

##### Location of grow site

The location of the grow site will be the same as the dispensary. The location will be on Route 111 in Biddeford, Maine as close as practicle to the Southern Maine Medical

Center. Biddeford's Planning Board will hold a public hearing regarding zoning and permissible sites for marijuana dispensaries on September 1, 2010.

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**For Corporate Incorporators\***

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

Name of Corporate Incorporator \_\_\_\_\_

By \_\_\_\_\_  
(signature of officer)

Street \_\_\_\_\_  
(principal business location)

\_\_\_\_\_  
(type or print name and capacity)

\_\_\_\_\_  
(city, state and zip code)

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**\*Articles are to be executed as follows:**

If a corporation is an incorporator (13-B MRSA §401), the name of the corporation should be typed or printed and signed on its behalf by an officer of the corporation. The articles of incorporation must be accompanied by a certificate of an appropriate officer of the corporation, not the person signing the articles, certifying that the person executing the articles on behalf of the corporation was duly authorized to do so

Please remit your payment made payable to the Maine Secretary of State.

Submit completed form to:

**Secretary of State  
Division of Corporations, UCC and Commissions  
101 State House Station  
Augusta, ME 04333-0101  
Telephone Inquiries: (207) 624-7752**

Email Inquiries: [CEC\\_Corporations@Maine.gov](mailto:CEC_Corporations@Maine.gov)

## BYLAWS of ALLEVIATIONS, INC.

### Article 1

1. Name: The name of the company will be Alleviations, Inc. (Company). The name may be changed by the Board of Directors (Board) as provided by Maine statutes (Law). In addition, the Company may register such other names to do business under as deemed appropriate by the Board and as provided by Law.

2. Principal Office: The principal office of the Company is 149 Spurwink Road, Scarborough, ME 04074. The principal office of the Company may be changed by the Board as they deem appropriate. Other offices may be established as deemed appropriate by the Board in order to properly conduct the Company's business.

3. Registered Agent: Craig Y Clark of 149 Spurwink Road, Scarborough, ME 04074 is the registered agent of the Company. The Board may change the registered agent as provided by Law.

### Article II

1. Purpose: The Company has been incorporated as a Maine non-profit corporation pursuant to Title 13-B of the Law. It's purpose is to do any and all acts consistent with operating a registered marijuana dispensary pursuant to the Maine Medical Use of Marijuana Program. Consistent with that purpose the Company will educate the public regarding medical marijuana use, advertise its availability, and aid in the process by which it can be obtained. Consistent with its non-profit status, the Company will price its product to minimize profits, discourage the use of the black market in marijuana, prevent diversion of legally obtained marijuana, and make it accessible to all registered users regardless of financial means. The Company may also distribute assets to other 501(c)(3) organizations whose purposes include the promotion of the general welfare of the people of Maine.

The Incorporators are particularly cognizant of the failings of many of the major corporations of our country in the recent fiscal crises. It our intention that the Company be run with the highest moral and ethical intentions.

The Articles of Incorporation as filed with the Secretary of State of Maine are incorporated by reference.

### Article III

1. Board: The affairs of the Company will be managed by its Board, Committees thereof, or as delegated by the Board to the officers and employees of the Company. There will be

no fewer than three directors and no more than six directors, as determined from time to time by the Board.

2. Term: Directors will serve a term of five years. They will be elected by a majority vote of the existing Directors.

3. Removal: A Director may removed, with or without cause, by a majority vote of the Board.

4. Meetings: The Board will hold meetings as they deem appropriate for the effective management of the Company and the effective discharge of their responsibilities to the Company. Any member of the Board may call a meeting with thirty days notice. Meetings may be held electronically.

5. Secretary: The Board will appoint a secretary to record all actions of the Board.

6. Quorum: At least fifty percent of the Directors will constitute a quorum. Unless otherwise required by Law, a majority of the Directors present at a meeting are required for a motion to pass. If a Director is excused from voting on a matter, for whatever reason, such action will not defeat a quorum. For purposes of determining votes during the period of excusal, the excused Director will not be counted for any reason.

7. Compensation: Directors will be compensated for their services and will be reimbursed for expenses incurred in the discharge of their responsibilities.

8. The Company will obtain appropriate insurance, at its expense, covering the Directors.

#### Article IV

1. Officers: The Board, by majority vote, will appoint a President of the Company who will also serve as Chair of the Board. The President of the Company will serve at the pleasure of the Board and may be replaced, with or without cause, at the discretion of a majority of the Board.

The President may appoint a Treasurer. The Treasurer's duty shall include the preparation of financial statements consistent with generally accepted accounting principles. Such financial statements will posted on the company's website.

Other Officers will be appointed as deemed appropriate by the Board or the President.

#### Article V

1. Indemnification: The Company, consistent with Law, shall indemnify Directors and Officers for any and all costs associated with any civil, criminal, administrative, or other claim or investigation arising out of their good faith service in the best interests of the



1. Indemnification: The Company, consistent with Law, shall indemnify Directors and Officers for any and all costs associated with any civil, criminal, administrative, or other claim or investigation arising out of their good faith service in the best interests of the Company.

#### Article VI

1. The Fiscal year of the Company will be the year ended June 30.
2. The Board of Directors will initially be comprised of three members. Craig Y Clark, 149 Spurwink Road, Scarborough, ME 04074, Marlene Jo Freilich, 505 Belfast Road, Camden, ME 04843, and Victoria L. Fleck, 31 Long Sands Road Unit 2, York ME 03909.
3. These Bylaws, as adopted by a majority vote of the Board on July 30, 2010, may be changed in any manner consistent with the Law by a majority vote of the Directors.

## Schedule E-1 Personnel Policies and Procedures

Alleviations maintains a tobacco free environment and there will be no use of tobacco products on Company property. Clothing will not be worn if it retains smoking odors.

Alcohol is not permitted on Company property. Inebriation on Company property is grounds for dismissal.

The Company follows a zero tolerance policy with respect to illegal drugs. Unannounced drug testing will be conducted at least annually.

Personal cell phones and computers are not allowed inside the Company's facility.

All doors are equipped with electronic locks and must be closed except when in use.

Personal visitors are not allowed without prior authorization are are only allowed in public areas and must be accompanied at all times.

Food and beverages will only be allowed in the staff lounge.

Personal cologne will not be used.

Personal property is subject to search and should not be brought inside the Company's facility.

Employees will maintain patient confidentiality and follow HIPAA rules and regulations.

Company computers and phones will only be used for Company business.

Employees are hired subject to a six week probationary period, Yearly performance reviews will be done.

Unexcused absences are ground for dismissal.

Sexual harassment or actions considered to create a hostile work environment should be reported to senior management and will not be tolerated.

## Schedule E-2 Growing and Cultivating Policies and Procedures

### Cultivation Procedures

1. Seeds will be purchased from a Company approved , organic seed bank.
2. Germination of seeds will be done using organic peat grow plugs in a dark environment at temperatures of 90 degrees.
3. After germination the peat grow plug will be planted in an approved container containing approximately one cubic foot of a commercially available organic soil.
4. Metal halide lighting will be used during the initial vegetative stage of plant growth.
5. Plants are water as needed approximately ever five days. A water soluble organic fertilizer will be used with every watering.
6. Lighting will change to high pressure sodium lighting during the flowering stage of plant growth,
- 7.Plants will be harvested on an individual basis. Large leaves will be removed to aid the drying process. Harvested plants will be hung for drying.
8. Curing will be done using paper bags followed by glass containers.
9. Throughout the above process temperature, humidity, and lighting cycles will be set as directed by management
10. A grow log will be maintained for each individual plant including strain, germination time, planting date, harvesting date, drying time, and curing time. Temperature, lighting, and humidity information will also be logged. A digital record will be taken on a weekly basis of the plant.
11. Inventory will be taken daily by two employees. Unresolved discrepancies will require a critical incident report.

### Schedule E-3 Inventory Policies and Procedures

Inventory procedures cover cash and cash equivalents on hand, inventory of marijuana plants, and inventory of product held for sale. Inventory of marijuana plants is covered under growing and cultivating policies and procedures.

Cash will be inventoried daily. Cash drawers will be maintained individually by employees and will not be shared during a shift. Cash drawers will be inventoried at the beginning and end of each employee's shift. Totals will be reconciled to the POS accounting system and credit card machines. Inventories of cash will be kept in locked drawers at all times.

Marijuana held for sale will be inventoried every day by two employees. Totals will be reconciled to the POS accounting system. Unexplained differences require filing an incident report. Inventories of marijuana will be kept in locked display cases or the vault at all times.

#### Schedule E-4 Food Preparation Policies and Procedures

Alleviations has adopted the State of Maine Food Code 2001 as its policies and procedures guideline. The Food Code is incorporated by reference. A copy will be kept in the kitchen and employees should familiarize themselves with its provisions.

## Schedule E-5 Quality Control Policies and Procedures

Quality control at Alleviations is centered around the production of certified organic marijuana of the highest quality.

Our organic certification is administered by the Maine Organic Farmers and Gardeners Association (MOFGA). Employees should familiarize themselves with the certification process and any ongoing requirements of MOFGA. Only products with a National Organic Producer number or an Organic Materials Review Institute listing may be used in the cultivation process.

The Company's grow facility is maintained as a clean environment. Outside contaminants, particularly insects, need to be excluded. Clothing should be clean and a separate pair of shoes, worn only in the grow facility, should be kept at the company's facility. Gloves should be worn when contact with the plants is anticipated.

The growing environment maintained by the Company for growing the marijuana is sensitive to light cycles, temperature, and humidity. Records will be kept detailing such information and must be monitored closely. Because of the intensive cultivation practiced CO2 levels need to be maintained for the benefit of the plants. The grow facility should be aired out at the beginning of the day before opening for business and at the end of the day after the business is closed to clients. Air should be circulated throughout the facility to encourage proper air exchange and for plant strength.

Plants should be inspected daily for evidence of disease or insects. Affected plants will either be isolated until the problem is corrected or else destroyed by incineration. The Plant's soil will be disposed of and its container sterilized before reuse. The immediate neighbors to the affected plant will also be separately isolated to check for disease development or the presence of insects.

Water and fertilizing will be determined by management. Only organic fertilizers may be used.

During the drying and curing process strict attention will be paid to temperature and humidity controls in order to prevent the development of mold. Drying and curing marijuana will be inspected daily for mold.

#### Schedule E-6 Copies of Educational Material

As discussed in Criterion 2 measure 7 all of the Company's educational material will be internet based. There will be no proprietary educational material. All such material will either be purchased or else available to the general public through the internet.

## Schedule E-7 Policies and Procedures - Critical Incident Reporting

Regulations of the Department of Health and Human Services (DHHS) requires the reporting of certain enumerated incidents. The report is filed the next business day after discovery of a covered incident and must include a description of the incident and any corrective actions taken by the Company. The regulations list the following four incidents:

1. Confidential information accessed or disclosed in violation of rules.
2. Loss of inventory by theft or diversion.
3. Intrusion of the facility.
4. Any other violation of the rules governing operation of the dispensary by DHHS

### Loss of Confidential Information

Employees are prohibited from accessing confidential client information unless it is within the scope of their job description and there is a clear business need to do so. Confidential information will not be discussed with other employees unless it is within the scope of their job description and there is a clear business need to do so. Confidential information will not be disclosed to third parties unless authorized, in writing, by the client. All employees accessing confidential client information will receive HIPAA training and HIPAA rules and regulations will be followed at all times.

Loss of confidential client information or access or disclosure of confidential client information in violation of DHHS regulations will be reported upon discovery to the President. An incident report will be completed before the reporting employee leaves for the day. The President will follow up with the DHHS.

### Loss of Inventory by Theft or Diversion.

Loss of inventory by suspected theft or diversion will be reported to the President. An incident report will be completed before the reporting employee leaves for the day. The President will follow up with the DHHS. Local law enforcement will also be notified.

### Intrusion

Any unauthorized intrusion into any part of Alleviations' facility will be reported upon discovery. An incident report will be completed before the reporting employee leaves for the day. The President will follow up with DHHS. Local law enforcement will be notified when the intrusion is suspected to be criminal in nature.

### Other Incidents

Any violation of DHHS regulations is a reportable incident as is any criminal activity.

### Critical Incident Report



A critical incident report may take any form. It should include the date and time of the incident, the reporting employee, a description of the event, and when a copy of the report was provided the President of the Company. Other information may include identification of causes, parties involved, corrective action taken or proposed, whether or not local law enforcement was notified.

## Criterion 1

Measure 1: The legal name of the Corporation is Alleviations, Inc. The articles of incorporation and the by-laws of the corporation are attached.

Measure 2: A precise physical address has not been determined. The location will be in Biddeford, ME preferably on Route 111 as close to Southern Maine Medical Center as possible. Several potential sites have been identified and one will be chosen once the Town has finalized its code regarding marijuana facilities. All will contain both the dispensary and the grow facility at one site.

Measure 3: All potential sites identified are not within 500 feet of a school. The Town of Biddeford has proposed several areas within the town as allowing marijuana facilities. All potential sites are within such proposed areas. A public hearing is scheduled for September first on this matter.

Measure 4: The facility selected for the growing of marijuana will be in a highly developed area of light industry and heavy retail. The building will be located on Route 111 in Biddeford. The grow facility itself will be within the building and will not be visible from the street nor any public area within the building. Windows will be sealed and blocked. Entry will be controlled by electronic locks and only authorized personnel will be granted access. All staff will have photo id's.

Security will be provided by ADT security and will include protection at all windows and doors, interior infrared motion detectors, and panic buttons for police, fire, and medical emergencies. When closed for business there will be roll down metal shutters over all windows and doors. A security firm will be retained to monitor the business during closed hours.

Exterior lighting will be used on all four sides of the building and will not disturb neighbors since there will be no residential facilities nearby. Parking areas will also be lit.

Surveillance cameras will be used both externally and internally.

All processed marijuana will be kept in a locked safe either within the grow facility or within the dispensary. A secure trip ticket system will be used and will accompany all marijuana within the facility until final dispensing.

Measure 5: Craig Y Clark is the president and chair of the board of directors. DOB 6-2-1951. Address: 149 Spurwink Road, Scarborough ME 04074

Marlene Jo Freilich is a director. DOB 12-4-1950. Address: 505 Belfast Road, Camden, ME 04843.

Victoria fleck is a director. DOB 9-29-48. Address: 31 Long Sands Road Unit 2, York ME 03909.

Maine driver's licenses are attached.

Measure 6: See measure 5 above for officers and directors controlling the business, In addition, the original incorporators of the business are Craig Y Clark, Sarah A Clark, and

Elizabeth S Clark all of whom will be providing future financing for the business. The proposed facility will be rented but no information has been finalized regarding the lessor.

Measure 7: The determination of the site of the facility has not been finalized so creditor interest in the facility can't be provided.

Measure 8: See attached.

Measure 9: All financing will be provided by the incorporators. We have attached financial statements showing a net worth in excess of \$1.5 million including \$426,000 of marketable securities for the incorporators. In addition, Craig Clark has maintained a line of credit of \$250,000 with Key bank since 2004 and as the attached letter from Key Bank shows, the full amount is currently available. The line expires in 2019. As the attached projected financial statements show, this is more than adequate to cover start up costs and operating deficits.

Craig Clark also brings a wealth of management and nursing experience to Alleviations. With two masters degrees in business and taxes, a nursing degree, as well as 30 years of work experience including starting and operating his own business he is ideally situated to operate Alleviations in a financially responsible manner. Mr Clark is currently a licensed RN in Maine and Florida. He is an inactive member of the NH Bar and former accreditations include being a CPA.

A copy of Alleviations' policy regarding financial support to registered users is attached.

Alleviations will not accept unused excess marijuana from registered patients for any reason other than disposal. Since assurances can't be made regarding adulteration of the property destruction is the only alternative. Returned marijuana will be incinerated.

Criterion2:

Measure 1: York County encompasses approximately 1200 square miles of land. It has two cities and over 25 towns. 20% of the population resides in the Biddeford Saco twin cities with the balance spread over the remaining towns. Alleviations is planning on locating in Biddeford on Route 111 as near as practical to the Southern Maine Medical Center. That location gives easy access to Route One, the Maine Turnpike, and Route 111. That allows the Company to readily service 20% of the county's population and also allows easy access from the western portion of the County via Route 111 and the southern coastal area of the County via Route One and the Maine Turnpike.

The Company will also offer a free delivery service to established clients taking delivery at their address of record. Alleviations recognizes that transportation is a problem in York County where public transportation is limited. In addition, the Company's client base will probably include a substantial number of compromised individuals who may not be in a position to drive at all. A free delivery service resolves these issues.

Measure 2: Alleviations has based its anticipated client base on experiences found in other states as well as figures derived by the State. Alleviations anticipates that approximately .1% of Maine's population will utilize the new law in its first years. Using this figure and York County's population the Company anticipates an initial client base of around 200 users. The Company further projects that with an appropriate advertising campaign the client base may be expanded to .3% of the population over time or 600 clients in York County.

Alleviations will initially be using three feminized strains of Marijuana. All three have a cultivation cycle of approximately two months and yields of around 400 grams, or 14 ounces. The Company's seed bank delivers in five business days and will ship lots of as little as 12 seeds or lots of up to 200 seeds. Tests have shown an 80% germination rate within one week. Drying and curing take a minimum of two weeks. This yields an expected three month cycle to the growing process. After inventory stabilizes, the cycle will be extended to four months in order to allow for longer curing times and a higher quality product.

There will be a delay in servicing client needs due to the 12 plant limit for start up. Alleviations plans a well funded advertising campaign in its early months in order to grow its client base and the additional six plants each registered user allows the Company to grow. The Company anticipates that by month four there will be an adequate supply to allow for all client needs.

Inventory will be based on a perpetual inventory method. Using the point of sale information from the computerized accounting system, projections will be made of future needs three to four months out. Plantings will be done on a weekly basis to meet that projected need without accumulating excess inventory.

As the client base grows Alleviations will also be able to diversify its seed base and grow plants specifically for individual client needs. The Company projects that this will occur within its first year of operation. Although anecdotal in nature, different strains appear to have different medical applications. Alleviations' seed bank has over 50 strains of marijuana with applications for epilepsy, multiple sclerosis, chronic pain, nausea, migraines, Crohn's disease, stress, anxiety, ocular pressure, inflammation, and sleep disorders.

Alleviations will be using an indoor grow facility. The seeds are purchased from an organic seed bank, germinated in organic peat grow plugs, planted after germination in organic soil in terra cotta clay pots, and fertilized with an organic product. Lighting will be supplied by metal halide and high pressure sodium bulbs. No pesticides will be used. Since all supplies are purchased over the counter from organic producers with either a National Organic Producer number or Organic Materials Review Institute listing, certification of the Company's product as organic should be straight forward.

Plants will grow in individual containers in groupings of 25 plants serviced by a combination metal halide and high pressure sodium light. Since each grouping requires 36 square feet, our proposed rental space of over 2000 square feet provides adequate space to service over 1000 clients per month at full capacity.

By standardizing our seed purchases and the methodology used in growing them, Alleviations will be able to provide a consistent product with consistent purity. Laboratory testing will be used, when available, to confirm the standardization of the

Company's product both as to purity and consistency. Sarah A. Clark, an Incorporator of the Company, has a degree in environmental sciences and is attending graduate school in environmental sciences management at the University of Santa Barbara in California. She will be consulting with respect to our organic producer certification as well as overseeing the testing process, when available, for purity and consistency.

The Company is a member of the Maine Organic Farmers and Gardeners Association which is Maine's USDA accredited organic certifier. The Association aids and certifies its members as managing their activities in compliance with the Organic Food Production Act of 1990 as administered by the National Organic Program. Organic certification is anticipated during the first year of operations.

The initial three strains to be used in Alleviations grow facility will be super silver haze, a first place winner of the High Times Cannabis Cup in 1997, 1998, and 1999, himalayan gold, and white widow, a 1995 High Times Cannabis cup winner known for a very high percentage of THC. All three strains are suitable for indoor growing, bud within two months, and produce close to a pound of marijuana per plant.

Measure 3: Craig Y. Clark, an incorporator and President of Alleviations has an extensive business background. He has over 15 years of experience consulting with businesses in order to enhance their internal controls to allow for better information processing, better operations, and better performance. A specific area of expertise for Mr Clark was 501(c)(3) organizations - nonprofits.

In addition he has served on the board of trustees for Breakwater School in Portland and as a trustee for his church, the United Methodist Church of Cape Elizabeth. In addition he is active in charitable organizations including My Sisters Keeper. This organization mentors women and helps them transition from prison back into their communities.

Most recently, Mr. Clark has earned an RN degree and practiced nursing. In addition to the hospital setting, he has also formed and run his own health care business successfully for six years employing up to five people.. This was particularly meaningful, since it allowed him the time to home care his parents who were both debilitated by alzheimers disease, a disease that may be controlled by marijuana. See attached resume.

Elaine L. Clark has been retained to manage the Company's green house operations and relations with the State of Maine. She also has an outstanding invitation to join the Board of Alleviations. Her resume is as outstanding as Mr. Clark's and includes extensive experience working for the State as Director, Bureau of General Services and for the University of Maine as Executive Director of Facilities, Real Estate and Planning. Her experience working with large non-profit organizations will add to her value to Alleviations. She is currently adding to her resume by studying Plant Sciences at the University of Maine, including green house management. See attached resume.

A final member of the Board, Marlene Jo Freilich has over twenty years of experience as an owner operator of a 30 room bed and breakfast. She usually employs up to 10 employees per year. Her experience as a small business owner and her high level of customer service adds to her value to the Company and also insures Alleviations' success.

Measure 4: Record keeping will be done utilizing a computerized point of sale

management solution. In particular, it will have an inventory management program for tracking inventory by strain, weight, cost, and retail price. Client information will be entered so amounts purchased and dates can be readily accessed to insure compliance with State Law. There will also be credit and debit card capabilities.

Since California has led the nation in number of dispensaries, with over four hundred to date, there is an active market for proprietary systems covering marijuana dispensaries. Alleviations will not need to create its own system but can purchase a system specifically designed for its operations and already tested at existing dispensaries. The Company anticipates purchasing a SunrisePOS-420R or equivalent to manage its accounting needs and enhance its security over inventory. Alleviations will purchase a stand alone system to prevent hacking of client information. The Company's website will be maintained and accessed through a separate, internet enabled system.

Two people will be responsible for inventory controls at Alleviations. Inventory will be counted and reconciled on a daily basis. A digital record of individual plants will be kept to help reconcile totals and explain variances from standard. By maintaining inventory on a specific identification basis records can be maintained to compare variances throughout the production cycle. After harvesting, each step of the production process will include weighing the product and comparing to standards developed over time by the company. All inventory, other than daily retail needs, will be kept in a vault requiring two people to open. All weights will be in grams on an approved scale. As a backstop, video surveillance will be used and monitored.

Any system is only as good as the people using it. To insure Alleviations employees are the right choice the Company will be doing background checks, including criminal checks, on employees. In addition, prior employers will be contacted, references will be confirmed, and resumes fact checked.

Unlawful activity can also occur outside the control of Alleviations through drug diversion. By pricing its product fairly the Company will discourage diversion by its clients yet afford them an accessible supply of marijuana. The Maine Office of Substance Abuse and the Office of National Drug Control Policy both support programs addressing drug diversion. Education is a key components of these efforts and include efforts to increase drug return, take back, and disposal programs to reduce access. Alleviations will also work with our client's physicians on ways to avoid diversion and encourage instructions on the proper use and disposal of medicine. Alleviations will also participate in Maine's drug mail-back program.

Unlawful activity on site will be deterred by highly visible security precautions. The entrance door will be electronically controlled with an intercom system to clear clients before they enter the store. Maine Medical Marijuana ID cards and state issued photo ID cards will be required of all regular clients. Potential new clients will be issued temporary passes worn at all times while in the facility. Employees will be with visitors at all times. Video surveillance, indoor and outdoor lighting, motion detectors, infrared monitors, electronic locks, established access policies, panic buttons, signage, and the use of security firms will all aid in preventing unlawful activity. The Company will also work closely with local law enforcement.

Alleviations will follow a zero tolerance policy with respect to illegal drugs, alcohol, and theft. Immediate dismissal will ensue and activities will be reported to the



authorities. Employees will have clearly defined access privileges to various areas of the premises. The accounting system will also be password enabled.

Measure5: Alleviations plans to have up to ten people on its payroll. This will allow dual control over the growing operations and inventory, proper staffing of the dispensary for its retail hours from 10 to 6 Tuesday through Saturday, a delivery service, and administrative support. An employee handbook will cover personnel policies and specific job responsibilities. Employees will also be trained with respect to client confidentiality and will stay in compliance with the Health Insurance Portability and Accountability Act.

A safe growing environment will be advanced on two fronts. First the plants will be protected from pests and chemicals. Only organic products will be used in and around the plants. Daily inventory and inspection for pests will be done. The overall health of the plant will be monitored and steps taken to insure its ongoing health. The second front will be inventory control to prevent theft and will be accomplished by dual control, a specific identification inventory system using standards of production to monitor variances, and security precautions as described earlier in measure four..

Confidentiality of the grow site will be accomplished with limited access and electronically controlled doors. Only authorized employees will be allowed in the grow site. To prevent others from entering, doors will be electronically controlled.

Confidentiality of patient information will be a large component of Alleviations employee training. The Health Insurance Portability and Accountability Act (HIPAA) is the applicable law in this area and will be the center of employee education. There are many courses offered on line covering this area through the various health care professions and Alleviations will purchase such a program for employee training. Restricted access, password protections, access based on legitimate business need, training, and HIPAA compliant systems will be the key components of the Company's training program.

The Company's privacy policy will be given to every client. Upon request and proper identification client records will be released to the client or other designated party. All such requests will be documented and maintained in the clients records.

Measure 6: Alleviations consents to pay for state and federal background checks, including fingerprinting, for all proposed and future registry card holders.

Measure 7: Patient education is a critical part of nursing care so Mr. Clark is well situated for this aspect of the Company's business. The Company's website at [Alleviationsinc.com](http://Alleviationsinc.com) will be developed to be the clearing house for all information regarding the medical use of marijuana. It will include links to other websites offering insight into the area, the various strains of marijuana, those grown by Alleviations, and their medicinal use, information on the therapeutic agents found in marijuana, information on drug abuse, addiction, and programs available to help, information on tolerance, dependence and withdrawal, information on the administration of marijuana including vaporizers, capsules, ingestion, and smoking, proper dosing based on the route of administration, information regarding diaries and how to track the marijuana used and

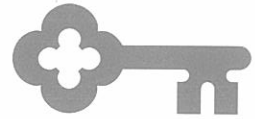
its efficacy including steps to achieve the smallest dose possible for the desired therapeutic effect, advocacy groups that can be joined, subscription newsletters available, growing your own marijuana, and clinical studies and research involving marijuana.

Seminars will be offered on an ongoing basis covering the basics of Maine's Medical Marijuana Act and the registration process for physicians, patients, and caregivers.



Financial Statements of the Incorporators of Alleviations, Inc.

Assets	Craig Clark	Elizabeth Clark	Sarah Clark	Total
Marketable securities	\$200,000	\$118,000	\$108,000	\$426,000
Retirement accounts	192,000	48,000	48,000	288,000
Real Estate	<u>570,000</u>	<u>180,000</u>	<u>180,000</u>	<u>930,000</u>
Total	<u>\$962,000</u>	<u>\$346,000</u>	<u>\$336,000</u>	<u>\$1,644,000</u>
Liabilities				
Mortgages	\$120,000			\$120,000
Net Worth	<u>842,000</u>	<u>\$346,000</u>	<u>\$336,000</u>	<u>1,524,000</u>
Total	<u>\$962,000</u>	<u>\$346,000</u>	<u>\$336,000</u>	<u>\$1,644,000</u>



**KeyBank National Association**

Mailcode: ME-01-99-0134

25 Market St

South Portland, ME 04106

Tel: 207 767-5946

Fax: 207 874-7346

August 10, 2010

To Department of Human Services  
Dispensaries for Distributing Medical Marijuana;

Be it known that Craig Y. Clark currently has a home equity line of credit with Key Bank. The terms of the line are as follows. It is a \$250,000.00 line with a draw expiration date of August 26<sup>th</sup>, 2019. There is currently a zero balance on the line.

Respectfully,

Andrew Love  
Relationship Manager  
Millcreek Financial Center

## Alleviations

### Financial Aid

Alleviations policy is to provide marijuana for medical use to all clients. On a case by case basis, discretion is granted to the manager of retail operations to adjust sales prices based on financial need. This discretion will only be extended to residents of York County. Factors to be considered include, but are not limited to, prior year tax returns, form W2, participation in a food stamp program, participation in the temporary aid to needy families program, employment status, unemployment compensation, MaineCare participation. In appropriate circumstances a sliding scale will be used to lower the retail price of Alleviations' marijuana and it may be lowered to zero. Any determination made under this policy should be reviewed with each purchase. The amount dispensed will be the average amount usually dispensed to Alleviations' clients.

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